Other taxable income

This Help Sheet includes a working sheet overleaf to help you arrive at the figures to include in boxes 13.1 to 13.6 of your Tax Return.

WHAT IS 'OTHER TAXABLE INCOME'

Page 16 of your Tax Return Guide lists examples of taxable income which should be included in boxes 13.1 to 13.6 of your Tax Return and provides guidance on expenses which can be allowed in arriving at the amount of taxable income.

Contact your Inland Revenue office or tax adviser if you are in doubt about what to include or need further advice on allowable expenses.

USING LOSSES

You will have made a loss if your allowable expenses are more than your receipts. Some, but not all losses can be set against some types of income from other transactions in the 'other income' category in this or later years.

If you have different types of other taxable income, or if you have losses from an earlier year you want to use, it is important that you use the Working Sheet on page 2 to keep the different categories of income separate.

You **can** set losses against the following types of income (Category A):

- all casual earnings, including 'one-off' freelance income, underwriting or sub-underwriting commissions
- profits from isolated literary or artistic activities
- rental from leasing equipment you own
- income received after your interest in a business has ceased, or received following a change in the basis on which the profits of that business are calculated. This applies only if the income would not otherwise have been taken into account for tax purposes during the life of the business - for example bad debts that you have now recovered
- any recoveries of expenses or debts for which you claimed relief as a post-cessation expense
- sale of patent rights if you received a capital sum.

You **cannot** set losses against the following types of income (Category B):

- receipts under convenants entered into for genuine commercial reasons which are in connection with the payer's trade, profession or vocation
- annual payments received in the year including annual payments received from UK unauthorised unit trusts and annual payments paid by former employers which do not constitute the payment of a pension
- benefits of insurance policies relating to sickness or disability **that are recorded as other income**
- a taxable lump sum included in box 13.3 from an unapproved retirement benefits scheme.

Include each type of income under the appropriate heading in the Working Sheet on page 2. Then follow the instructions to work out the figures to include in boxes 13.1 to 13.6. The Working Sheet will also allow you to keep a record of any losses you want to carry forward to next year.

Working Sheet

	Category A Income for which you can claim loss relief			Category B Income for which you cannot claim loss relief	
	Type of income	Type of income	Type of income	Type of income	Type of income
• Description of income					
• Amount received	£	£	£	£	£
minus					
• expenses	£	£	£	£	£
equals					
• income after tax (include totals in box 13.1)	£	£	£	£	£
add					
• tax deducted (include totals in box 13.2)	£	£	£	£	£
equals					
• gross income (include totals in box 13.3)	£	£	£	£	£
or					
• loss	£	£	£	£	£
• unused losses for this year to carry forward (enter in box 13.6)	£	£	£	£	£
• Losses brought forward (include totals in box 13.4)	£	£	£		
• Losses used (include totals in box 13.5)	£	£	£		
• Earlier years' losses carried forward	£	£	£		

These notes are for guidance only, and reflect the position at the time of writing. They do not affect any rights of appeal.